

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.  
 :  
 v. : Criminal No. 16-  
 :  
 JAMES WEGELER : 26 U.S.C. §§ 7201 and 7206(2)  
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I N F O R M A T I O N

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

COUNTS 1 to 4  
Evasion of Corporate Taxes

1. At all times relevant to this Information:
  - a. Defendant JAMES WEGELER, a resident of Pottersville, New Jersey, was a certified public accountant ("CPA") who prepared federal income tax returns for certain individual taxpayers. Defendant JAMES WEGELER also was the Vice President and Chief Financial Officer ("CFO") of a company doing business as American Tutor, Inc., ("American Tutor").
  - b. American Tutor was a company based in Somerset County, New Jersey, that purported to offer supplemental educational services to school districts throughout New Jersey.

c. The Internal Revenue Service ("the IRS") was an agency of the United States of America within the Department of the Treasury that administered the revenue laws of the United States of America and, among other responsibilities, assessed and collected federal income taxes.

2. For the tax years 2009 through 2012, American Tutor received approximately \$15,538,351 in gross income from, among other sources, various school districts in New Jersey that received funding from the United States Department of Education.

3. The Internal Revenue Code required American Tutor to file true and correct annual U.S. corporate tax returns on IRS Form 1120 for tax years 2009 through 2012.

4. Defendant JAMES WEGELER, as American Tutor's CFO, prepared, signed under penalty of perjury, filed, and caused to be filed with the IRS, American Tutor's U.S. corporate income tax returns (IRS Forms 1120) for tax years 2009 through 2012. Each of those returns was not true and correct as to every material matter because, in order to reduce American Tutor's tax liability, defendant JAMES WEGELER intentionally and fraudulently inflated American Tutor's business expenses by claiming that it paid wages, tips and other compensation to its employees above and beyond what it had actually paid during the tax years 2009 through 2012.

5. On or about the dates set forth below, in the District of New Jersey, and elsewhere, defendant

JAMES WEGELER

did knowingly and willfully attempt to evade and defeat a substantial tax due and owing to the United States of America for the tax years set forth below by preparing and causing to be prepared, and by signing and causing to be signed under penalty of perjury, false and fraudulent U.S. corporation income tax returns, Forms 1120, which were filed with the IRS, as set forth below, and which returns were false and fraudulent as to material matters, as described in Paragraph 4 of Counts 1 to 4 of this Information:

COUNTS	Filing Date	Tax Year	Fraudulently Inflated Business Expenses	Tax Due and Owing
Count 1	10/17/2011	2009	\$515,283	\$171,299
Count 2	10/17/2011	2010	\$929,112	\$312,437
Count 3	09/17/2012	2011	\$605,061	\$217,471
Count 4	10/15/2013	2012	\$1,036,444	\$347,623

In violation of Title 26, United States Code, Section 7201.

COUNTS 5 to 7  
Aiding and Assisting in the Filing of False Returns

1. Paragraph 1 of Counts 1 to 4 is realleged and incorporated by reference herein.

2. Defendant JAMES WEGELER, in his capacity as a CPA, prepared, signed under penalty of perjury, filed, and caused to be filed with the IRS the individual income tax returns, Forms 1040, of three of his offspring: Taxpayer 1, Taxpayer 2 and Taxpayer 3. Defendant JAMES WEGELER intentionally and fraudulently did not report certain substantial income which he knew Taxpayer 1 and Taxpayer 2 had earned in tax year 2010, and which Taxpayer 3 had earned in tax year 2013.

3. On or about the dates set forth below, in the District of New Jersey, and elsewhere, defendant

JAMES WEGELER

did knowingly and willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of U.S. individual income tax returns, Forms 1040, for the taxpayers and tax years specified below, which returns were false and fraudulent as to material matters, as described in Paragraph 2 of Counts 5 to 7 of this Information:

COUNTS	Taxpayer	Filing Date	Tax Year	Unreported Income	Tax Due and Owing
Count 5	Taxpayer 1	04/15/2011	2010	\$600,000	\$202,657
Count 6	Taxpayer 2	04/15/2011	2010	\$630,000	\$108,682
Count 7	Taxpayer 3	04/15/2014	2013	\$400,000	\$134,352

In violation of Title 26, United States Code, Section 7206(2).

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PAUL J. FISHMAN  
United States Attorney

COUNTS	Taxpayer	Filing Date	Tax Year	Unreported Income	Tax Due and Owing
Count 5	Taxpayer 1	04/15/2011	2010	\$600,000	\$202,657
Count 6	Taxpayer 2	04/15/2011	2010	\$630,000	\$108,682
Count 7	Taxpayer 3	04/15/2014	2013	\$400,000	\$134,352

In violation of Title 26, United States Code, Section 7206(2).

*Paul J. Fishman/rah*

PAUL J. FISHMAN

United States Attorney

CASE NUMBER: 16-

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INFORMATION FOR

26 U.S.C. §§ 7201 AND 7206(2)

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PAUL J. FISHMAN  
UNITED STATES ATTORNEY  
NEWARK, NEW JERSEY

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